

USAID/GEO
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2003 Annual Report

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Acronyms and Abbreviations

CSME	CARICOM Single Market and Economy
EPA	Environmental Protection Agency
FPA	Forest Products Association
FTAA	Free Trade Area of the Americas
GEO	Guyana Economic Opportunities (Project)
GMA	Guyana Manufacturers' Association
GNBS	Guyana National Bureau of Standards
GOG	Government of Guyana
GO-INVEST	Guyana Office for Investment
IAST	Institute of Applied Science and Technology
IPED	Institute of Private Enterprise Development
IR	Intermediate Result
IT	Information Technology
MFCL	Ministry of Fisheries, Crops and Livestock
MFTIC	Ministry of Foreign Trade and International Cooperation
NARI	National Agricultural Research Institute
NGMC	New Guyana Marketing Corporation
MOF	Ministry of Finance
MTIC	Ministry of Tourism, Industry and Commerce
NGO	Non-Governmental Organization
PMP	Performance Monitoring Plan
PSC	Private Sector Commission
PSO	Private Sector Organization
SBA	Small Business Act
SME	Small and Micro-enterprise
SO	Strategic Objective
THAG	Tourism and Hospitality Association of Guyana
USAID	United States Agency for International Development
WTO	World Trade Organization

Introduction: 2003 Overview

For much of the first half of 2003, the growing crime situation negatively affected Project implementation and the ability to freely move around the country. However, by mid-year conditions had noticeably improved. Project activities during the year continued to focus both on obtaining short-term immediate impacts and on longer term training and policy initiatives, all of which are aimed at improving the business climate and at promoting investment and increased exports. Specific training programs continued with the Bureau of Standards, Go-Invest, members of the wood products sector and small exporters.

In the policy arena, the Trade Policy Strategy was finalized and GEO assisted the Ministry of Tourism, Industry and Commerce in developing Guyana's legislation on competition. We are extremely pleased that the draft Investment Law and Small Business Act were both tabled in Parliament during the second quarter of the year. The passage of both, hopefully early next quarter, should help improve the investment climate in the eyes of private businessmen and potential investors as they become more certain about the regulations they must follow, the legal guarantees in place and the incentives available. Assistance in improving the information available to the business sector continues to be an important component of the Project. During the year, market studies for the Caribbean and Northern Brazil were finalized and work continued on an exporter's handbook, post harvest handling technical bulletins, and an organic market survey.

As has been the case throughout the Project, Chemonics was again able to respond quickly to new requests from partners for activities, which though not specifically detailed in the Year 4 Work Plan, fit well within overall Project goals and objectives. One such activity, the development of a strategy for strengthening trade policy capabilities, promises to open up additional resources from the donor community to strengthen trade policy analysis and improve trade negotiating skills. Other activities added to the work plan included assistance to the Government in setting up an anti-money laundering unit and a study to measure the importance to the economy of migrant remittances.

Assistance in developing market linkages between Guyanese exporters and producers on the one hand and importers in the Caribbean and elsewhere, has taken on a greater importance to complement earlier activities in identifying potential markets and determining market requirements. A wood products tour to North Carolina and participation in a builders trade show in Trinidad have resulted in the formation of new trade linkages and in increased exports. Improved quality of fresh produce, coupled with exporter training, have contributed to an increase in exports to Barbados of almost 40% last year.

This report is divided into four sections: activities undertaken during the year, progress toward meeting performance results and targets, activities planned for the next quarter, and a financial report. Status of critical assumptions, any operating problems or outstanding issues are reported, as needed, under these four report sections.

I. Activities and Accomplishments During the Reporting Period

A. Activities under IR 1: Increased Capacity to Implement Economic Policy for Growth with Equity

Activities under IR1 focused primarily in three areas: 1) trade policy and preparations for WTO, FTAA and the CARICOM single market, 2) legislation targeting the investment and business climate, and 3) continued institutional strengthening of Project partner agencies within the Government. Activities are presented below according to the agency or ministry with which the Project worked.

Ministry of Foreign Trade and International Cooperation

As the name implies, the Ministry of Foreign Trade and International Cooperation is responsible for trade issues. In discussions with the Ministry in preparing the GEO 2003 work plan, priorities for the year were staff training and assistance in preparing for up-coming trade negotiations, including WTO, FTAA, ACP and the CARICOM Single Market and Economy (CSME).

- *Development of a Trade Policy Strategy* – During the second quarter of 2002, at the request of the Ministry of Foreign Trade and International Cooperation (MFOTIC), the GEO Project provided assistance in drafting a national trade policy strategy. A first draft was completed and widely circulated to the public and private sectors. However, due to concerns of overlap with a planned IDB trade facility, GEO's work on the strategy was put on hold until late 2002, in effect delaying completion of the work by almost eight months. Last year with the assistance of the USAID Director, GEO was given the green light to follow through with the development of the strategy. Given the long delay and resulting changed circumstances over time in the status of the various on-going trade negotiations, it was necessary to up-date the original draft. The revised/updated draft was again widely circulated prior to presentation at a public forum. The strategy was also presented at a special meeting of Cabinet and will be tabled in Parliament as the official Government trade policy strategy. Implementation of many of the activities are already underway, many with GEO assistance.
- *Trade Policy Review* – As part of the Trade Policy Strategy, GEO recommended that the Ministry request that WTO undertake Guyana's Trade Policy Review (TPR). The TPR is a useful exercise for a country to determine where it stands in meeting the necessary preparation for WTO agreements. GEO's Trade Policy Expert interceded with the WTO to move up the date of Guyana's review. The review has been completed and we are awaiting WTO's written report.
- *FTAA Trade Capacity Building Strategy* - At the 2002 Quito Ministerial, Trade Ministers of FTAA countries approved the Hemispheric Cooperation Program (HCP). The HCP is intended to strengthen the capacities of smaller economies to participate in negotiations, implement their trade commitments and maximize the benefits of hemispheric integration. To access assistance in strengthening trade related capacities, the FTAA-

Consultative Group on Smaller Economies (CGSE) asked that countries desiring to benefit from such assistance follow a common format in developing their capacity building strategies. At the request of the Minister of Foreign Trade and International Cooperation, the Project assisted in developing Guyana's trade capacity building strategy. The work involved identifying the capacity strengthening needs of 20 ministries, agencies and private sector organizations which have a role in trade matters. A draft of the strategy was presented to a joint donor's meeting in Washington, D.C. and it will be presented to Cabinet in the first quarter of next year.

- *CSME Workshop* – At the request of the Ministry, GEO provided logistical support for a workshop which targeted the business community and focused on preparing the private and public sectors for the Caricom Single Market and Economy (CSME).
- *Trade in Services* – Several ministries and agencies are responsible for different issues and trade areas under WTO and FTAA. The Ministry of Foreign Trade and International Cooperation has the lead for preparing Guyana's position on trade in services. The Project provided assistance during the year in organizing and presenting a public seminar on trade in services. The purpose of this type of seminar (also planned for other trade areas) is to inform the public and private sectors and to begin to obtain feedback from the private business sector on specific trade issues to better inform Guyana's negotiating position.
- *Trade Policy Training: Preparations for Cancun* – Although MFTIC is the lead Ministry for trade policy issues, many other agencies and ministries also have important roles to play. The GEO Project implemented a very practical hands-on training program in which the participants researched and prepared Government briefing papers for the 5th Ministerial meeting of the WTO. In all, 12 persons from eight agencies (MFTIC; Ministry of Tourism, Industry and Commerce (MTIC); Ministry of Agriculture; Bureau of Statistics, the Customs Department; University of Guyana; and the Private Sector Commission) participated in the training and jointly developed the briefing book. As a group and working in teams, the participants analyzed Guyana's recent trade data, researched tariff and non-tariff barriers of Guyana's leading trade partners, identified critical constraints and opportunities, and made recommendations on Guyana's positions in the areas of agriculture and trade in goods. A strong recommendation of the participants at the end of the week long training exercise was that the multi-agency group be involved in the preparations for future negotiations.
- *Assessment of the Ministry's IT Network* – In order to prepare for trade negotiations it is imperative that Ministry staff have timely access to world trade statistics and information about the various trade agreements. The internet is now the premiere source for trade information. At the request of the Ministry, the Project provided assistance for an assessment of the Ministry's IT capabilities. A key finding of the assessment was that internet access is extremely slow and there is currently no back-up system for the server and staff data files.

Ministry of Tourism, Industry and Commerce

The Ministry of Tourism, Industry and Commerce is the lead institution on several trade issues, including competition policy. Key Project activities with the Ministry during the year included tourism marketing, competition policy, small business legislation and the development of sector profiles.

- *Competition Policy* – CARICOM has developed model legislation in several areas, including competition. GEO provided the services of a competition policy specialist to review CARICOM's model legislation for competition and consumer protection as both pieces of legislation relate to conditions in Guyana. A key recommendation is that Guyana might wish to adopt the U.S. prosecutorial system of enforcement rather than CARICOM's recommended EU model of administrative review based on ex-ante authorization. It is felt by many that the EU system of prior administrative review may actually restrict rather than promote enterprise development and competition. The assessment report is currently with the Ministry for review.
- *Tourism Marketing: The World Travel Mart* – Tourism, and in particular eco- or adventure tourism, is a sector that offers significant growth potential in Guyana. The Ministry has requested GEO assistance to strengthen the newly created Guyana Tourism Authority (GTA) in the area of tourism marketing. Late in year the Project provided technical assistance and training to the GTA and private operators who were planning to attend the World Travel Market (WTM) in London. The annual WTM is the largest and most important professional trade show in the travel and tourism industry in Europe. The GEO tourism specialist met with GTA, THAG and tourism operators to help them prepare for the tradeshow, assisted in planning the Guyana booth, reviewed promotional materials, and helped organize a Guyana reception during the show, so that Guyana's participants could meet one on one with European tourism package operators and the media.
- *Small Business Act* - In 2000 the Project worked with several private sector organizations to draft a small business act. The legislation is meant to reduce bureaucratic redtape in the government's dealings with small businesses and to provide certain benefits and incentives. Late last year the government indicated a willingness to move on the legislation. During the second quarter of the year, the Project organized and facilitated meetings throughout the country between small businesses and the Government to review and discuss the legislation. At the final meeting held in Georgetown in late June, the government was represented by the President, two ministers and three Presidential advisors. The legislation has since been tabled in Parliament and the Government has indicated that it should come to a vote in the National Assembly in early January.
- *Sector Profiles* – The Guyana Manufacturers' Association (GMA) and the Ministry of Tourism, Industry and Commerce have requested Project assistance in developing investment profiles for key sectors in Guyana. The activity will be coordinated with Go-Invest, which has requested similar assistance in developing sector profiles as a means of promoting investment in specific sectors. The Ministry and GMA are interested in using

the profiles as a basis for policy formulation. Late in the year, work began on the profile of the tourism sector.

Go-Invest

Go-Invest, as the agency responsible for the facilitation and promotion of exports and investment, remains a major Project partner. Improving communications and the information available to its client dominated work with Go-Invest for much of the year.

- *IT Network Installation* – A key component of the work of Go-Invest is to provide accurate and timely information to investors and exporters. An earlier assessment of the agency's IT network and information sharing capabilities revealed weakness in both hardware and software. During the quarter the Project provided three computers and a server to improve Go-Invest's ability to develop, share, and store information, as well as the ability to monitor work with clients. The improved IT system complements other on-going and previous assistance including: the client tracking system, improved information products such as the Investor Roadmap, and an improved internet website. Training was provided to the staff in the use of the new system.
- *Electronic Versions of Permit Applications and Business Forms.* Copies of all forms needed to start a business are included in the Investor Roadmap and are also available on the Go-Invest website. However, the forms are in PDF format and the legibility of many is poor. The forms have now been converted into electronic format so that they can be easily downloaded from the internet or distributed on computer disk. Both options will permit users to complete the various forms and applications using a word processor. The availability of the forms in electronic format will also greatly facilitate businesses located outside of Georgetown, which typically have to make a special trip to obtain the necessary forms.
- *Exporter Roadmap* – The GEO Project is providing assistance to Go-Invest to strengthen its investment and export promotion and facilitation activities. Lack of information for both potential investors and exporters has been identified as a key constraint. Toward this end, two years ago the Project assisted in developing the Investor Roadmap that guides new investors through the multitude of steps necessary to start and operate a business in Guyana. Based on a request from Go-Invest the Project has completed the development of a similar information product for exporters that will answer the most frequently asked questions and provide information and information sources pertaining to exporting. A second draft of the Exporter Handbook is currently under review by Go-Invest.
- *Go-Invest Website* – A local IT firm was hired to assist Go-Invest to improve its website. Although there was a lot of useful information on the original website, it tended to be wordy and not as user friendly as it should be.

- *Investment Targeting* - As part of the Project's goal of strengthening Go-Invest, two investment officers participated in a training workshop hosted by the Industrial Development Agency (IDA) of Ireland. During the two week program, professionals from IDA and Enterprise Ireland provided hands-on training in defining country competitiveness, enterprise creation, trade and marketing, and industrial parks. During the program the two Guyanese participants defined the competitive advantages of Guyana, identified target sectors and developed a marketing strategy for exploiting that competitive advantage.
- *Wood Products Trade Show* – At the request of Go-Invest, GEO provided assistance to the wood products sector to participate in a trade show in Trinidad. This activity is reported more fully under IR3 below.

Guyana National Bureau of Standards (GNSB) - With Guyana's small population and therefore limited market, the focus of investment promotion and economic development must rest primarily on export growth. Key to this growth will be Guyana's ability to compete on an equal basis in world markets. To successfully compete under upcoming WTO and FTAA agreements, Guyana's products must be able to meet increasingly stringent international standards. The Project is providing assistance to strengthen the Guyana National Bureau of Standards (GNBS) so that it can better carry out its role of informing the private sector about international standards and in ensuring their application. During 2003 the Project developed and implemented training programs for Bureau staff and private sector companies in three key areas: laboratory accreditation, quality management systems and environmental standards. All three areas are critical if Guyana and Guyanese businesses are to compete in the global economy.

- *National Conformity Assessment* – Conformity to product standards will soon be required under most of the international trade agreements (WTO, FTAA, etc.). At present there are some 20 organizations in Guyana involved in inspection, testing and certification activities. The Project is providing continuing assistance to the GNBS to inform the various organizations about conformity assessment and the role that each must play. During the second quarter, GEO assisted the Bureau in holding a national forum on conformity assessment under the invitation of the Minister of Tourism, Industry and Commerce. Other activities included the development of an organizational chart for conformity assessment for goods and services and identification of roles and responsibilities of the various agencies involved in conformity assessment. Recommendations for next steps included staffing of various positions and public and private sector training. Representative from 19 agencies and private sector organizations participated in the forum.
- *ISO17025:1999 - Testing, Auditing and Laboratory Accreditation* – In order for test results from Guyana to be accepted by other countries, the test and management procedures of the laboratories themselves must meet international standards: ISO 17025:1999. Twenty-five public and private sector representatives involved in product testing were trained in the ISO standard. The laboratory of the Food and Drug Department is responsible for microbiology testing and pesticide residues. The Institute

for Applied Science and Technology (IAST) has responsibility for testing for heavy metals. Certification of both labs is essential, especially if Guyana's seafood industry is to penetrate European markets. The Project goal is to have these two laboratories receive international accreditation by the end of the Project. A gantt chart was developed to identify the necessary steps, set a timeline for completion and assign responsibility for the steps necessary for obtaining certification/accreditation.

- *Training in ISO 9001:2000 Quality Management Systems* – The Bureau has provided training and certified 10 companies to achieve ISO 9001: 1994 certification. The ISO 9000 series has recently been revised and industries and the Bureau are aligning their systems to the new standard. Under GEO sponsorship, twenty companies and six staff members of the GNBS participated in a training of trainers program covering the new standard.
- *ISO14001 – Environmental Standards* – Training was also provided during the year to twenty-five public sector representatives and private companies on the ISO14001 environmental standards. GNBS staff participated as a training of trainers so that they will be better able to assist their private sector clients in developing and implementing their own standards.
- *ISO 19011 Training* – A necessary complementary task for agencies and businesses that are working on ISO9000 (management) and ISO14001 (environmental) standards is the ability to conduct the necessary internal audits of these processes. During the year, GEO sponsored a training course in auditing (ISO 19011) using the updated 2002 standard.
- *ISO 17020 (inspection) and ISO Guide 65 (process)* – ISO 17025 certification, described above, will give laboratories international accreditation for the technical procedures in obtaining accurate results. Necessary complementary certifications are required for inspections (ISO 17020) and for process certification (ISO Guide 65). Training in these two standards was provided to 25 representatives from both the public and private sectors.

New Guyana Marketing Corporation (NGMC) – NGMC is a key Project partner in the implementation of the SME export action plan. Most of the activities undertaken with NGMC are reported under IR3.

Other Activities under IR1

- *Business Writing* – A primary objective of the GEO Project is to foster an enabling environment which supports greater investment in Guyana. An important way of doing this is to help counterpart agencies operate more efficiently and provide better and more timely services to their clients. Throughout its implementation, the Project has provided targeted training and technical assistance to key counterpart agencies, including Go-Invest, NGMC, and GNBS. Central to the tasks of all of these key agencies is the

gathering, managing and dissemination of information necessary to support local and international business initiatives. To further enhance the operations of these institutions, it is critical for their professional staff members to be able to effectively communicate with investors, exporters, and potential buyers. At the request of Go-Invest, GEO developed and implemented a business writing course. Twenty-five persons from Go-Invest, NGMC and GNBS attended the weeklong workshop.

- *Anti-Money Laundering* – At the request of the Government, and with the concurrence of the Mission, GEO provided the assistance of an expert in anti-money laundering. His report included recommendations for improving and strengthening the existing anti-money laundering legislation, identification of resource needs, the development of a timetable for setting up a Financial Investigation Unit (FIU) and identified possible sources for additional technical assistance. To date, an office has been provided for the FIU and bank reporting and monitoring regulations and procedures have been drafted. Full implementation of the FIU is awaiting identification of qualified personnel to staff the unit.
- *Information Technology* – During the year the Project provided assistance in improving the IT capabilities of our partner agencies. The GEO IT Specialist installed the new networks and hardware in GNBS, NGMC and Go-Invest. New email accounts were created for staff members in each agency in the form name@ngmc.com. Although basic training in the use and maintenance of the networks was provided to each agency, it was strongly recommended that each agency contract with local service providers for regular system maintenance. As mentioned above, an assessment was also conducted and recommendations were made to the Ministry of Foreign Trade and International Cooperation for the upgrading of its IT network.

Environmental Activities

- *Forest Certification* – Certification that wood and wood product exports come from sustainably managed forests is increasingly becoming a factor in accessing many markets, thereby impacting current and would-be exporters. During 2003 the Project provided the assistance of a forest certification expert to the Guyana Initiative for Forest Certification (GNIFC). GNIFC is a recently formed non-governmental organization, that as the name indicates, has the objective of supporting certification of Guyana's forests. With GEO assistance, a previously developed draft standard was tested and modified. The goal is to develop a final Guyana standard by September 2004.
- *Protected Areas Workshop/Training* – Sustainable use of Guyana's forests and natural habitats is a key objective of Guyana and USAID. The Project sponsored the participation of two persons, one from the Environmental Protection Agency (EPA) and one from the Guyana Marine Turtle Conservation Society to attend a workshop on protected areas management which was held at the University of Montana. At the workshop Guyana's participants developed a draft strategy for strengthening Guyana's ability to develop and maintain protected areas.

B. Activities under IR 2: Strengthened Private Sector Organizations Capable of Influencing Public Policy

Although assistance to private sector organizations on advocacy issues continued during the year, the focus under IR2 has shifted to include investment and export promotion at the level of the firm and the PSO. At the beginning of the Project GEO began working with four regional chambers of commerce and three of the Georgetown and product based PSOs (THAG, GMA and FPA). The response from the regional chambers in working with GEO has been much more forthcoming and the results of their advocacy initiatives have been very good. The Project is now working with 9 regional chambers plus their umbrella organization, the Association of Regional Chambers of Commerce (ARCC).

- *Small Business Act* – At the request of the Small Business Association (SBA), the Project met with members of the Association to review the original draft Small Business Act, which had been completed in 2000. Minor changes were made and the SBA submitted the draft to the Ministry of Tourism, Industry and Commerce, which has responsibility for the small business sector. The Ministry in turn recommended additional changes and requested our assistance in modifying the draft (see IR 1 above). The purpose of the legislation is first to have Government focus on the small business sector as an important contributor to Guyana's economy. In addition, the legislation provides for a mechanism for presenting the problems and concerns of the small business community to the Government. It also provides for the setting up of a small business department within the Ministry and seeks ways to provide special incentives and to decrease red tape for smaller firms.
- *Investment Law* - As with the Small Business Act, GEO provided assistance to the private sector to develop a draft investment law in 2000. A Government version of the original draft, with a number of important modifications, was laid in Parliament in July 2002. The Government's version of the Bill, however, was not tabled for passage in the National Assembly. As a result of the Government's willingness to proceed with a dialogue on the draft, the Project again provided assistance through the Private Sector Commission to review and revise the investment law developed previously. Most private sector organizations participated in the process, including the PSC, GMA, FPA, THAG, the Bankers' Association, ARCC, the Poultry Association, and Small Business Association. The dialogue process culminated in a half day meeting between representatives of the private sector and the President and members of his Government. Based on the results of this important public-private sector consultation, GEO provided follow-up assistance to revise the draft. As indicated under IR1, the Government has signaled its intention to put the Investment Law to a vote in early 2004.
- *Financial Services* – An often heard complaint among businessmen in Guyana is the difficulty of securing long-term lending. In previous assistance the Project has provided options for securing developing bank services in Guyana and as a result a Trinidadian development bank (DFI) is offering services to Guyanese small businesses. Last year the Project identified a series of seminars and workshops that are intended to provide greater

awareness as to alternative sources of capital. Among the possible topics are seminars on equity financing and joint ventures and leasing as a means to business start-up. In addition, in talking to and at the recommendation of the Bankers Association, the Project is developing a series of workshops on basic financial management, possibly to be incorporated into a follow-on course to the Export 101/102 series. A draft of a guide to working with banks, entitled “Approaching Banks, a Guide for Small Businesses” was completed during the year. The final guide should be available in early 2004.

- *Wood Products Competitive Awareness Tour* – After two years of trying, the Project was finally successful in obtaining the agreement of the Mission and the GOG to organize and sponsor an awareness study tour for the wood products sector. Wood (and value added wood products) is a sector identified early in the project as one having potential for growth and expansion, particularly for exports. However, as with most sectors in Guyana, the wood products sector has lived in relative isolation from international markets with very little value added domestically. Instead, raw logs are the main export. High Point, North Carolina is the furniture capital of North America. Twice annually, it plays host to the International Home Furnishings trade show. In and around High Point an important cluster has developed of firms and subsectors to the furniture industry, including: manufacturers, furniture importers and wholesalers, lumber importers, wood working equipment dealers, and a whole host of building materials dealers and manufacturers: flooring, moulding, doors and windows, and other accessories. In preparation for the awareness tour, GEO’s furniture and wood products specialist met with potential participants, to assess their readiness for export, and identify activities in and around the home furnishing trade show that would best meet the participants own business needs and capabilities. Co-sponsored by Go-Invest and GEO, 27 wood products firms were contacted concerning the proposed tour. Eleven firms and a representative of Go-Invest participated in the study tour in April 2003. Key findings resulting from the tour, as identified by the participants, included:
 - Guyana’s wood products firms have serious work ahead in improving the quality of their products.
 - Guyana’s firms are too small on their own to hope to meet the demand in even regional markets in the U.S.
 - Firms will need to work together to pool products to meet individual orders.
 - The wood furniture market will be extremely difficult to enter on grounds of quality, quantity and price. Much of the U.S. market is now supplied by China.
 - Niche markets exist where Guyanese firms may be able to enter for high quality hardwood building products such as molding, flooring, doors, and decking materials.

The tour has helped to focus producers on areas where Guyana may have a competitive advantage. It also made the participants aware of the requirements for entering world markets. As a result of the tour, one firm has ordered new equipment which will permit it to make hardwood flooring according to U.S. standards and requirements. A second firm has since teamed up with a U.S. distributor for its products as a means of entering the U.S. market.

- *Development of a Website for the Private Sector Commission* – The GEO Project had previously provided assistance to the PSC to begin the development of a website aimed at improving its ability to provide timely information to its members and to the business community at large. At that time, the PSC did not complete the website. During the quarter the new Executive Director requested GEO assistance in completing the work. A local website developer has been identified and has begun working with the PSC on finalizing the website. Training in website maintenance will also be provide to PSC staff.
- *GMA Wood Products Tradeshow* – The Project assisted Go-Invest and the Guyana Manufacturers' Association (GMA) to participate in a builders and interiors trade show in Trinidad. The assistance was a follow-up to the High Point study tour implemented earlier in the year. Eight firms participated in a Guyana booth, displaying hardwood flooring and paneling, wood shingles and exterior siding, and wood and cane furniture. A Go-Invest export officer participated as a training exercise. It was the first time that any of the Guyanese contingent had participated in a trade show. In addition to helping to plan and build the booth, the Project organized a forum where the Guyanese firm representatives were able to interact one-on-one with Trinidadian buyers and wholesaler, architects and builders, and furniture distributors. Since the trade show in September, one of the furniture manufacturers who attended has sold and shipped almost a full container of furniture to Trinidad and had more orders for Christmas. Two Trinidadians who visited the booth have already traveled to Guyana to visit the factory. A second participant has cemented a distributorship with a Trinidadian firm and a third firm is in the process of negotiating the sale of hardwood doors.
- *Assessment of the Volunteer Youth Corps' Proposal to Institute a Micro-credit Facility* - The Volunteer Youth Corps (VYC) is a not for profit NGO that focuses primarily on providing social and health information and services. Recently it added a youth training program, the Guyana Information Youth Project (GIYP). VYC requested GEO assistance in setting up a micro-credit facility and/or grants program to complement the GIYP. The GYIP offers entrepreneurial training to unemployed youth. Over the first year of its implementation, the GIYP has trained six participants. GEO's assessment found that program was probably at least a year or two from being able to start and implement a credit program. The assessment also identified weaknesses in the training program and provided recommendations for strengthening the organization.
- *Exporters' Association* – The Project has worked for several years with fresh produce exporters to assist them to identify new markets, to source new packaging and to improve quality with better post harvest handling. The sector is now facing new constraints, including decreasing space on airlines and difficulties in finding sufficient local produce. To overcome some of these problems and to increase their ability to lobby on their own behalf, the exporters need to begin to work collectively. Several exporters have individually voiced the need for an association. Towards the end of the year, the Project began providing assistance to a group of fresh produce exporters who are interested in forming an association. The formation of the association is still at the discussion level.

- *IT Assessment and Assistance* – Key partners over the life of the Project under IR2 have been the regional chambers of commerce and their national umbrella organization, ARCC. As with other GEO partners an important role of private sector organizations is researching, communicating and sharing information. To improve the chambers ability to communicate with their members and other organizations and to obtain information, the Project undertook an assessment of the IT needs of the chambers, provided hardware, software, and training to six regional chambers and ARCC.
- *The Internet as a Business Tool* – Many SMEs in Guyana are too small and lack the resources to undertake market surveys, identify suppliers, or source inputs from overseas. The Internet provides a wealth of information and opportunity, and when used effectively can assist SMEs to make market linkages, to identify input suppliers, and access a wealth of business tools aimed at helping small businesses. However, the internet is relatively new to Guyana, and many businessmen, and in particular small firms, have never been exposed to its operation and the business opportunities that it offers. The Project developed a short course to introduce small businessmen to the internet as a business tool. In addition to the 30 businessmen who participated in the course, several staff members from PSOs, NGMC and Go-Invest participated in a trainer of trainers course so that they can assist their own members and clients in effectively using the internet.

C. Activities under IR 3: Increased Services Available to Support Micro and Small Enterprises

For the first half of the Project, GEO focused on increasing the access to and availability of financial services and credit to small and microenterprises. Much of the work concentrated on institutional strengthening of IPED. Late in 2001, in consultation with GEO partners, we developed an SME program to also target non-financial assistance to SMEs. Given the small domestic market and the competitiveness of the sectors where SMEs predominate, the GEO SME program focuses primarily on promoting and expanding exports. Activities during this past year targeted three areas: 1) increasing market information and developing market linkages 2) improving product quality and meeting market requirements; and 3) strengthening business skills.

Improved Market Information and Development of Market Linkages

A key component of the GEO SME export program is to improve market information and assist in developing market linkages. To date, rapid market surveys have been completed, and the results made available to exporters and the business community, on markets in North America, the Caribbean and the U.K. During 2003 efforts in this area continued for neighboring Brazil and for the market for organic produce.

- *Market Surveys* – Previously the Project, in collaboration with NGMC and Go-Invest, had undertaken rapid reconnaissance market surveys in Toronto, New York City, London and seven countries in the Caribbean. Last year these surveys were complemented by similar surveys conducted in Northern Brazil and for the organic sector in European

markets. Market access and market information were two of the key obstacles cited by many SME exporters. These market assessments have identified possible market niches, listed problems and constraints to entering the respective markets and provided contacts for buyers, wholesalers and retailers who are either currently or potentially interested in handling products from Guyana. In early 2003 the Project collaborated with Go-Invest and NGMC to present the results of these rapid market assessments in seminars held in Anna Regina and New Amsterdam. The results had previously been presented in seminars held in Georgetown and Linden.

- *Brazil Rapid Reconnaissance Market Survey* – Due to its proximity, Brazil, and particularly the northern states, have the potential for providing a ready market for many Guyanese products. The survey focused on three population centers: Boa Vista, Manaus and Belém. A key advantage for Guyanese products identified in the survey is lower transportation cost for products imported from or through Guyana. At present the northern States of Brazil “import” many of their food products and inputs for agriculture and industry from southern states of Brazil. It is estimated that the arrival times could be cut in half if the same products were imported from Guyana. A key assumption for any advantage, however, is the building of an all weather Georgetown – Lethem road, completion of the Takatu bridge, and the installation of necessary facilities, such as gas and service stations, customs facilities, etc. To facilitate those businessmen who planned to visit a trade show in Manaus, the survey was distributed in draft form. Over 150 copies of the draft report were purchased.
- *Organic Market Surveys: France, Germany and the U.K.* – The Ministry of Fisheries, Crops and Livestock and NGMC are interested in the potential for organic agriculture. To date there are two on-going organic enterprises: cocoa production in the Northwest supported by the U.K. and a private firm currently exporting organic hearts of palm and canned pineapple. With the exception of the coastal rice and sugar areas, much of Guyana can be considered “organic” in that few if any agricultural chemicals have ever been used. The purpose of the organic market surveys is to identify which products that can be produced in Guyana have the greatest potential and in which markets. The surveys are based on desk research using the internet and existing studies and reports to identify markets and trends. Follow up phone calls were made to importers and retailers for additional information. Although information is gathered about the potential for fresh produce, the major focus is on processed fruit and vegetables, given the difficulty and costs of transportation for fresh produce. Draft reports have been completed for the U.K., France and Germany – the three leading importers and consumers of organic products in Europe. It is expected that the final reports will be available next quarter.
- *Wood Products Awareness Study Tour* - See discussion under IR2.
- *Wood Products Trade Show* – See discussion under IR2.
- *World Travel Mart – Guyana Tourism Authority (GTA): Tourism Marketing* – GEO provided the assistance of a tourism expert to help the GTA and local tourism operators prepare for participation at the World Travel Market (WTM) in London. Assistance

included help in planning the Guyana booth, organization of a reception so that the Guyana delegation could meet one on one with European tour package representatives, and review and advise on the preparation of promotional material. The impact of Project assistance has already been felt. One Guyanese tour operator who has attended WTM for several years, has tried without success to arrange meetings with two key tour package representatives. As a result he says, of the “Guyanese Lime” reception organized by GEO, both operators sought him out to discuss possibly adding a Guyana tour to the packages they offer.

Product Quality and Meeting Market Requirements

Identifying market opportunities and making contact with potential buyers is only the beginning. Without meeting market requirements and without a quality product, all the contacts in the world will not guarantee entry into a new market. Therefore work on improving product quality and meeting the standards for quality, labeling, packaging, etc., are an important part of GEO export promotion activities.

- *Post Harvest Handling Bulletins* – Work continued during 2003 in preparing additional post-harvest handling bulletins for horticultural crops offering export potential. Previously bulletins were prepared for plantain, bananas, pineapple, and mangoes. During 2003, bulletins were completed for papaya, cassava, sweet potatoes, yams, eggplant and watermelon. Two types of bulletins are being developed, more technical bulletins for extension agents and agricultural project personnel and a second, more basic one or two page factsheet on proper post-harvest handling techniques for farmers and exporters. The work is a joint product of GEO, the New Guyana Marketing Corporation (NGMC), and Go-Invest. NARI is providing a technical review for each of the bulletins. Bulletins will eventually be produced for 17 vegetable and 16 fruit crops. The first batch of completed bulletins should be available next quarter.
- *Post-Harvest Handling* – Training workshops in post harvest handling techniques were held in five areas of the country last year. Over 125 farmers and exporters participated in the hands on training, including a special training of trainers session held for 26 extension agents and personnel from various agricultural projects. Sessions included harvesting techniques, maintaining a “cool” chain, proper washing, waxing to preserve shelf life and the use of plastic sleeves, or bunch covers, to improve banana and plantain production and quality. Since the GEO sponsored training was completed, technical officer from NGMC who took the training-of-trainers course, presented the same training to a group of 35 farmers in Cottontree, Berbice.
- *Plantain and Banana Bunch Covers* – Bunch covers are the thin plastic bags used to protect plantain and bananas from insect and leaf damage. The bags are used the world over in major banana producing areas, yet are not available in Guyana. The Project previously assisted the NGMC to demonstrate the use of the bags. Plantains are already one of Guyana’s leading non-traditional agricultural exports. Local agricultural input suppliers are reluctant to import the bunch covers, as they are unsure of local demand.

Last year, the Project assisted NGMC in the importation of 5000 covers and this past year we began developing an informational campaign on their use and benefits, in order to test the demand and encourage local producers to use and agro-suppliers to import and sell the bags.

- *NARI Crop Production Technical Bulletins* – GEO is also providing assistance to NARI for the production and publication of a series of technical bulletins for the production of potential non-traditional export crops. The first four bulletins on cauliflower, carrots, onions and broccoli are currently being printed and will be available shortly. The production series follows the same format as the post-harvest bulletins, one for extension personnel and the other for farmers. Both series are aimed at improving Guyana's potential for expanding the export of non-traditional agricultural products.
- *Peanut Workshop* – The Project providing funding to the Beacon Foundation to sponsor a workshop on the development of peanut production in the Rupununi Region. Organizers and presenters at the workshop included representatives of the Peanut CRSP from the Universities of Georgia and Florida; the Ministry of Fisheries, Crops and Livestock (MFCL); the National Agricultural Research Institute (NARI), NGMC and Go-Invest. Forty-six farmers from throughout the Rupununi attended the three day workshop. Activities included presentations on the cultural practices in peanut production, post harvest handling and processing, a drip irrigation demonstration for vegetables, and demonstrations in the use of farm equipment including, sprayers, planters, and peanut shellers. The final day of the workshop focused on the identification of constraints and proposed solutions to problems of peanut production and agriculture in general. Areas identified included the need for a farmer organization, information on markets and marketing of farm produce, access to credit and the availability of inputs. Among the decisions taken were:
 - The need to work for better communication among the various actors (Ministry, NARI, NGMC and private sector groups).
 - The need for written guides on pests and pesticide use
 - The need for a low-cost peanut thresher
 - Creation of farmer groups for the purchase of inputs and possibly storage
 - Beacon Foundation to carry-out tests on no-till peanut cultivation
 - NARI is to look at restructuring and revitalizing extension services in the region.
 - The Peanut CRSP is to provide additional resources for research

The workshop and the work of the Beacon Foundation are already having a significant impact on peanut production in the Rupununi. Regional production has hovered at about 500,000 lbs. per year for the past ten years. Last year's production more than doubled, reaching 1.2 million pounds; a small amount on a national scale, but a significant increase in only one year.

- *APHIS Approval of New Exports to the U.S.* - In part as a result of GEO assistance in late 2002 in bringing APHIS (Animal and Plant Health Inspection) personnel to Guyana, USDA announced that four additional crops (pumpkins, eggplant, lettuce and peppers)

have been approved for importation through all U.S. ports, including southern states. It is hoped that the training provided by APHIS to the Plant Health Department of the Ministry of Fisheries, Crops and Livestock will lead to additional approvals in the months ahead.

- *APHIS: Papaya Mealy Bug* – Last year the Project again facilitated a visit by APHIS to assess a confirmed infestation of papaya mealy bug, which if left unchecked, could endanger the export of some agricultural products from Guyana. The two APHIS specialists provided training to 42 personnel from the Ministry of Agriculture in identifying and controlling the pest. In addition, a biological control agent was released at several locations which will eventually spread and control the incidence of the pest.
- *Packaging* – Problems of poor packaging and damage during transport have been identified during earlier work as a serious constraint to improved export quality. During the year, the Project provided the services of a packaging expert to work with Caribbean Containers, Ltd. (CCL), and with local exporters to seek ways of improving container quality. CCL, the sole local cardboard box manufacturer in Guyana, has provided cost estimates for improved, stronger boxes. The Project has also requested samples and cost information from various packaging companies outside of Guyana.
- *Labeling* – The quality of packaging and labeling represents a critical element for penetrating regional and international markets and for expanding SME exports. An assessment of packaging and labels conducted earlier in the year (see preceding activity) outlined areas for assistance, specifically in the design of labels, nutritional labeling, use of bar codes, etc. The *ESHA* Research Genesis R&D software was identified as having the potential to help provide nutritional labeling information without the burden of expensive laboratory analysis. During the fourth quarter, GEO organized a workshop which was attended by over 70 agro-processors. The workshop focused on nutritional labeling requirements in the U.S. and Canada. A demonstration was also provided of the capabilities of the Genesis software.
- *Transportation* – The fresh produce sector has been one target of Project activities. In addition to an introductory course on the basics of exporting, the Project has also assisted in improving the Government operated packing house, developed technical materials and provided training in improved post harvest handling techniques aimed at improving quality. In part, as a result of this assistance, there are now more exporters exporting greater quantities, particularly to the Caribbean and specifically to Barbados. Although reliable and timely transportation has always been an issue, the result of greater exports has exacerbated the space constraint on air shipments to Barbados. The impact has been particularly severe for the new exporters who are just developing their clientele. GEO provided the assistance of an export specialist to assess the transportation possibilities and recommend means to overcome the constraint. A key recommendation was assistance to the sector in forming an exporters' association (see discussion under IR2), so that the exporters would have more power in negotiating with transporters and in lobbying the government. Also as a result of the assistance on the transportation issue, more and better information is available about the means and cost of transportation

available. For the first time this year, several exporters to Barbados are now using refrigerated containers by sea instead of relying on much more costly air freight.

- *Tourism Assessment* – In conjunction with assistance to GTA and tourism operators attending the WTM, GEO’s tourism specialist also undertook an assessment of individual tourism operations in Guyana, to identify those which are ready for international tourists and to assist the other operators in identifying areas where improvement is needed. Individual reports were prepared for each of the 15 operations visited. Again this is part of GEO assistance to GTA to enhance Guyana as a tourist destination.
- *Promotion of Beef Exports* – The Project continued to assist the NGMC and the MFCL to push for the passage of legislation on meat and veterinary health and safety that will permit the export of beef and other meat to the Caribbean. One of the butchers that participated in a GEO sponsored meat butchering course late last year has built a new abattoir and is eager to begin exporting once the legislation is enacted. GEO also provided assistance in identifying markets, market requirements, and possible importers in the Caribbean. A sample of beef is scheduled to be sent to Grenada early next year. This would be the first export of beef from Guyana in over thirty years, due to an outbreak of hoof and mouth disease. Guyana was declared free of the disease two years ago.
- *Bioterrorism Legislation* – In part as a result of the events of September 11th, the U.S. has instituted new procedures aimed at improving the security of the U.S. food supply. New regulations require exporters of food products to the U.S. to register and notify the Food and Drug Administration when shipments are arriving. The Project prepared a short bulletin which explained the new regulations and walked food exporters through the procedures. Since registration could also be done via the internet, the Project provided training to NGMC staff in how to assist firms to register. Advertisements were widely circulated, which included offers of assistance for the registration process through either the Project or NGMC. To date over 50 exporters and transportation companies have been assisted in registering.

Improving Business Skills

- *Export 101 and 102* – Last year the GEO Project developed and twice presented an introductory course on exporting. Export 101 and the more advanced Export 102 guide novice exporters through the process, from deciding whether they are ready to export, to the final step of transporting their goods and getting paid. During 2003 the course was presented to 25 potential exporters and businessmen in Essequibo and 25 in Berbice. As a means of institutionalizing the course and of ensuring its sustainability, a GEO training expert and the Project’s export course developer worked with staff members from NGMC and Go-Invest. NGMC and Go-Invest staff now teach over half of the two courses.
- *Technical Bulletin on Approaching Banks* – See discussion under IR2.
- *The Internet As a Business Tool* – See discussion under IR2.

- *Business Counseling* – The GEO export specialist meets periodically one on one with participants of the Expot 101/102 training program and with other GEO export clients as needed. Other team members also provide advice and assistance as needed. Clients this part year for such one on one assistance included:
 - A local garment manufacturer who is looking for new markets and input suppliers
 - A confectionary manufacturer seeking to expand markets to North America
 - A beef producer/processor interested in exporting
 - A honey producer seeking to enter the Caribbean market
 - An agro-processor seeking information about the potential demand for processed organic fruit and vegetables

Other Activities

- *J-1 Visa Training* – Following the events of 9-11, visa procedures for participant trainees have undergone a significant re-engineering. A member of Chemonics' Training Department provided training to GEO staff on the new internet-based J-1 visa procedures. The Chemonics' Training Specialist also provided assistance and information to the Mission and the Embassy Consular Section on preparations needed for the new visa requirements.
- *Revised Final Year Work Plan and Project Extension* - At the request of the Mission, Chemonics revised the final year work plan and developed a budget for a three month extension of the Project through June 2004.
- *SME Project Coordinator Long Term Advisor* - Marialyce Mutchler joined the GEO field team in the second quarter of the year. She is coordinating the Project SME Export Promotion activities.

D. Problems Encountered and Constraints to Implementation

- *Crime Situation* – As mentioned in the introduction to this report, increasing crime in Guyana, and particularly in and near the capital are of continued concern. Potential consultants are raising the security in Guyana as an issue during recruitment. The Project will continue to maintain close contact with the Mission and the Regional Security Officer in the Embassy.

II. Activities Planned for Next Quarter (January – March 2004)

A. IR 1 Implementation of Economic Policy

Go-Invest

- *Tradeshows* – Go-Invest has requested Project assistance in planning and implementing three tradeshows next year: Barbados, Trinidad and the Dominican Republic. The purpose is to highlight and promote Guyana's non-traditional exports, including wood and woodproducts, seafood, fresh produce and agro-processing, tourism, and jewelry and handicrafts. The Barbados tradeshow is scheduled for February.
- *Export Training*
 - *Export 102* will be presented in Linden in January
 - *Export 103/104* – The Project's export specialist has begun developing a follow-up to our successful course in exporting. The higher level course will focus on pricing, marketing and business practices. It is expected that the first half of the course will be ready by the first quarter of 2004.
- *Investment Guide* - Assuming we get a better indication of what exactly the Government wants, work will begin on developing an investment guide.
- *Rapid Reconnaissance Market Survey of the South Florida Market* – The potential for Guyanese products in and around Miami will be examined during the first quarter.

Ministry of Tourism, Industry and Commerce

- *Sector Profiles* – A draft of the tourism sector should be completed and work on other sectors should begin during the quarter.
- *Tourism Marketing Plan* – Time permitting, work will begin on assisting GTA and THAG to develop a tourism marketing plan. Time may be limited, however, because of preparations for the tourism FAM work with THAG – see IR2 below.

Guyana National Bureau of Standards

- *Certification/accreditation of IAST and Food and Drug Laboratories* – Work will continue with GNBS, the two laboratories and the private sector to ensure that work continues.

New Guyana Marketing Corporation

- *Development of a Strategic Plan* – Last year GEO undertook an assessment of NGMC in preparation for the development of a strategic plan. The Director has indicated that the agency is ready to proceed with the development of the plan and has requested GEO assistance.

Other Activities Planned Under IRI

- *Remittances Seminar* – The Project will facilitate the presentation of the results of new survey on the importance of migrant remittances to Guyana.
- *Monitoring of on-going Activities* –
 - The Project will continue to monitor the progress of the debate and possible passage of the Investment Law and the Small Business Act.
 - *Anti-Money Laundering* – Continue to track the implementation of the Financial Intelligence Unit.

B. IR2 Private Sector Organization Strengthening

- *PSC Website* – On-going activity.
- *Tourism Familiarization Tour (FAM)* – GEO will collaborate and share costs with a CIDA funded project to organize and implement a familiarization tour of North American tourism operators to Guyana. The activity has a twofold purpose: first to directly seek increased tourism and second, to use the activity as a training exercise for THAG and GTA in how to organize such tours.
- *Environmental Survey* – GEO will provide assistance to the GMA and MTIC to undertake a survey to identify the priority manufacturing sectors or subsectors where SMEs are in need of assistance in meeting clean production practices and in implementing environmental management systems. The survey is also intended to recommend possible interventions based on international best practices to improve the production processes and move the firms and the sector toward acceptable international environmental standards. The survey results are intended to identify specific projects that will be funded under the IDB MIF.
- *Exporters' Association* – The Project will continue to provide assistance, as needed, to the fresh produce and agro-processors who are interested in starting an exporter's association.

C. IR3 Small and Micro-Enterprises Development

- *Assistance to the Beacon Foundation* – The Beacon Foundation has requested additional assistance for an extension training program/workshop to be held in four areas of the Rupununi. Four hundred farmers are expected to participate.
- *Contact Database* - Several organizations, both public and private, have cited the need for a contact database. GEO will provide assistance and training in using available software for the task.
- *Wood Products Promotional Material* - For the High Point tour last year, we developed a quick bulletin to describe the qualities of Guyana's hardwoods. The bulletin will be updated to include pictures of the woods, using different finishes.
- *Wood Products Training* – Again, as a follow-up to High Point, GEO will co-sponsor a training program with a local equipment firm on proper use of woodworking equipment, with a particular focus on sharpening tools which is essential to have the quality of finishes required in international markets.
- *Graphic Design and Labeling* – This workshop is a follow-up to the label content/nutritional labeling requirements workshop held last year. This second workshop will focus on graphic design, colors and presentation. Participants will include agro-processors, but also local graphic design artists, printers and firms currently producing labels.

III. Progress Towards Development Results

A. Overview

The response and participation of GEO partners remain strong. For the 2003 Annual Report we provide the status on the following indicators¹:

- Client satisfaction with services provided by Go-Invest
- Average time to process investment applications
- Improved application of commercial/investment regulations and policies
- Progress in meeting WTO commitments
- Membership in private sector organizations
- Number of advocacy campaigns undertaken by PSOs
- Private sector influence on public policies
- Number of clients assisted with non-financial services

For some indicators, as for example those for PSO membership, the Project has surpassed the original targets. As indicated in previous reports, IPED is no longer in need of assistance from the Project and we are no longer reporting on numbers of small businesses receiving loans from them. In addition to the indicators listed above, we provide information on how the Project has directly impacted both agencies and ministries with which we work, but also individual firms and businessmen and women.

¹ As noted in previous Project reports, we are no longer reporting on the use of a management information system developed for the Project Cycle Unit of the Ministry of Finance.

E. SO Level Performance Results

{PRIVATE }STRATEGIC OBJECTIVE 1: Improved Climate for Private Investment			
APPROVED: 9/4/01		Country/Organization: Guyana	
RESULT NAME: SO level - Improved Climate for Private Investment			
INDICATOR: Improved Satisfaction of Potential Investors			
{PRIVATE }UNIT OF MEASURE: Percent of potential investors reporting expectations met or exceeded.	YEAR	PLANNED	ACTUAL
	1999 (B)		43%
SOURCE: GO-Invest Survey	2000	-	-
	2001	50%	94%
INDICATOR DESCRIPTION: Go-Invest will conduct a survey of its registered investors to determine the level of potential investors reporting met or exceeded expectations.	2002	60%	97.1%
	2003*	75%	91%
{PRIVATE }			

* Figures for 2003 are preliminary, as the survey was conducted during January 2004. The results reported above are based on responses from 78 firms from among the 181 surveys sent out. This represents a response rate of 43%. We continue to receive completed surveys and will adjust the final figures shortly.

Although there was a decrease in the percentage of clients who responded that they were satisfied with the overall service they received from Go-Invest last year, the percentage at 91% remains, none-the-less very high. Again, as mentioned in previous reports, this positive response continues to reflect the new client oriented attitude at the agency.

{PRIVATE }STRATEGIC OBJECTIVE 1: Improved Climate for Private Investment			
APPROVED: 9/4/01		Country/Organization: Guyana	
RESULT NAME: SO level - Improved Climate for Private Investment			
INDICATOR: Average time to process investment applications.			
{PRIVATE }UNIT OF MEASURE: Number of months	YEAR	PLANNED	ACTUAL
	1999 (B)		Duty Free 7 Land 19 Discretionary 10
SOURCE: Go-Invest	2000	—	—
	2001	Duty Free 5	Duty Free 2
		Land 16	Land 7
Discretionary 8		Discretionary 4	
INDICATOR DESCRIPTION: Average time, in months, between the date of application to the date of decision. The data will be disaggregated among the following categories because each category implies significantly different processing times: Duty Free Concessions Land for Investment Discretionary Concessions	2002	Duty Free 3	Duty Free 2.65
		Land 12	Land 6.82
		Discretionary 6	Discretionary 3.63
	2003*	Duty Free 1	Duty free 3.5
		Land 8	Land 7.8
Discretionary 3		Discretionary 3.2	
{PRIVATE }COMMENTS: This indicator is important for GEO and Go-Invest to track because one of the primary functions of Go-Invest is to speed up the process for investors to obtain final decisions. If this process is improved, it will be indicative of a better investment climate.			

* Figures for 2003 are preliminary, as the survey was conducted during January 2004. The results reported above are based on responses from 78 firms from among the 181 surveys sent out. This represents a response rate of 43%. We continue to receive completed surveys and will adjust the final figures shortly.

Go-Invest and GEO met only one of the three targets in 2003 for decreasing the amount of time necessary to obtain concessions and land. However, the results remain a significant decrease from the time required at the start of the Project. For those who obtained land or an industrial site, it took almost two month, an increase of a month from the time required last year. The time required to obtain duty free concessions more than tripled this past year. The main reason for this latter increase was a change in the procedures and the agency assigned to handle duty free concessions. In the third quarter, granting of these concessions was moved from the office of the

Secretary to the Treasury in the MOF to the Guyana Revenue Authority (GRA), which admits that it was not prepared to take on this responsibility. Go-Invest is working with GRA to put in place systems so that requests for concessions will be dealt with more expeditiously.

{PRIVATE }STRATEGIC OBJECTIVE 1: Improved Climate for Private Investment			
APPROVED: 9/4/01		Country/Organization: Guyana	
RESULT NAME: SO level - Improved Climate for Private Investment			
INDICATOR: Improved application of commercial/investment regulations and policies.			
{PRIVATE }UNIT OF MEASURE: Scale. Steps taken toward the implementation of an investment code.	YEAR	PLANNED	ACTUAL
	1999 (B)	—	—
SOURCE: GEO Project	2000	Steps 1, 2, 3, 4	Steps 1, 2
	2001	Step 5	Steps 2, 3
INDICATOR DESCRIPTION: (Stage I) Investment Code is in place. Steps: 1- Code is developed. 2- Draft Code is Vetted. 3- Code is revised. 4- Code is finalized. (Stage II) Investment strategy is implemented and enforced. Steps: 5- Applicable laws are revised (these will be defined). 6- Key laws are passed by Parliament (these laws must be refined). 7- Information regarding laws is disseminated (knowledge and awareness increased). 8- Laws are enforced (laws are generally applied through court cases or other mechanisms).	2002	Steps 6, 7	No progress
	2003	Step 8	Step 4
COMMENTS: Applicable laws will be defined as they become apparent. In addition, elements of enforcement will also likely require further definition. Progress of this indicator will not necessarily be linear; hence it depends heavily on SO team/RP team analysis. Note, while this indicator is subject to a number of external influences, it is a critical factor in the achievement of the overall objective. In addition, GEO (as well as its predecessor project) has played an important role in helping to move this forward.			

At long last it appears as if the implementation of the Investment Law is back on track. GEO provided assistance in developing the initial draft in early 2000. The Project has also provided

continuing assistance to the private sector to lobby for enactment of the law. Last year, with support from the USAID Mission, the Government signaled its willingness to move forward on the draft. GEO provided assistance to both the public and private sectors in finalizing the legislation and in hosting a public/private sector workshop to discuss and finalize the draft. The Government, as noted earlier in this report, has indicated that the law will be brought to a vote early in the first quarter of 2004.

F. IR1 Performance Results

Meeting WTO/FTAA Obligations

{PRIVATE }STRATEGIC OBJECTIVE 1: Improved Climate for Private Investment			
APPROVED: 9/4/01		Country/Organization: Guyana	
RESULT NAME: SO Level - Improved Climate for Private Investment			
INDICATOR: Percentage of WTO Obligations Met			
{PRIVATE }UNIT OF MEASURE: Percentage	YEAR	PLANNED	ACTUAL
	1999 (B)	—	—
SOURCE: GEO Study	2000	TBD	—
	2001	TBD	—
INDICATOR DESCRIPTION: GEO is planning a study in which a consultant will prepare a matrix of policies which must be met to comply with WTO obligations. The study will provide a current status (the baseline) and appropriate targets for the next four years.	2002	TBD	
	2003	5	4
{PRIVATE }COMMENTS: Baseline and targets will be developed as a part of an upcoming study.			

Since a new Minister was appointed in 2001, work on trade issues has finally seen progress. Last year the Trade Policy Strategy was finalized and adopted by the Government as official policy. In addition, a Trade Capacity Building Strategy was developed, also with GEO assistance, which will enable Guyana to access additional donor funding to assist with preparations for negotiations, to fund staff training, and help with the adjustment process to free trade. With GEO assistance, Guyana also underwent a Trade Policy Review by the WTO. This review, the results of which should be available shortly, will identify areas where Guyana has not yet complied with its commitments. In last year's Annual Report we set targets to measure progress in meeting its commitments and in preparing for negotiations in five areas:

- Trade in Services

- Market Access
- Subsidies, anti-dumping and countervailing duties
- Competition policy
- Electronic commerce

The Project did assist in preparing Guyana for upcoming negotiations for trade in services, competition policy, and market access. We also provided assistance in preparing Guyana for the WTO Ministerial in the area of agriculture. Subsidies and anti-dumping or electronic commerce were not dealt with specifically. It was decided in the trade strategy that Guyana should rely on CARICOM for these issues, since the cost of setting up and defending anti-dumping cases would be prohibitive for a small country like Guyana.

We are waiting for the results of the WTO's Trade Policy Review to determine areas where Guyana still has not yet met its commitments.

Having a Lasting Impact under IRI - Sustainability

IR1, in seeking to improve policy and policy implementation, has a longer term horizon. Although it is hoped that strengthened institutions will have some immediate impact, it generally takes some time for policy changes to impact directly either on private sector firms or on the institutions themselves. In many instances and for too many development projects, the impact of institutional strengthening activities is not always long-lived. In some instances the improved practices and methods do not live beyond the end of the Project. GEO has provided a considerable amount of training and technical assistance to our partner agencies and organization. We are pleased to see that many of the activities have taken firm hold and should have a lasting impact. Some success stories under the GEO Project from last year are detailed below:

Go-Invest CEO Maintains a List of Goals – The Project has been working with the current CEO of Guyana's investment promotion agency, since the early days of the Project when he was Minister of Trade, Tourism and Industry. Although aimed at the staff of Go-Invest, we included the then Minister on a study tour to visit well-functioning and successful promotion agencies. Now as CEO, he recently informed us that the initial study tour has had and continues to have a very strong impact on his plans for Go-Invest and where he sees the agency going. He keeps a check list of all the improvements that he wants to make at Go-Invest as a result of that trip and he adds to the list the recommendations of various consultancies that GEO has undertaken to strengthen the agencies. Many have already been implemented.

Workplans are Becoming an Annual Activity – When the GEO Project started almost five years ago, few of the institutions with which we work developed annual work plans and fewer set annual targets and goals. GEO provided assistance early in the Project to assist both Go-Invest and the Bureau of Standards to develop their first work plans. Since then both agencies continue the planning exercise on a yearly basis, and with no assistance from the Project.

Team Building and Annual Retreats – Guyanese government agencies and even private companies tend to be very hierarchical, with little delegation of authority and little input from

lower levels. In addition to introducing work plans, an early assessment recommended staff retreats and team building exercises as a means of getting agency staff more involved in planning and implementation of agency activities. Two GEO partner agencies, GNBS and Go-Invest both held team building retreats with GEO assistance. Both have since instituted annual day long agency retreats for open discussions of what is working and what is not working within the agency and where improvements are needed. One key result has been a greater delegation of responsibility among the staff.

GEO Training without GEO – Another example of the sustainability of GEO institutional strengthening activities is occurring with Project training programs. Export 101/102, the Project's introductory workshop in exporting, was developed by GEO and in the first session, presented by the Project's Export Specialist. The course series has now been presented five times in four locations around the country. Approximately 125 firms have benefited from the training. From the first, we incorporated technical staff from Go-Invest and the New Guyana Marketing Corporation in the training. They now teach over half of the course. By the end of the Project, they will be teaching the entire course. Hence, GEO will continue to have a lasting impact, even after the Project is over.

Another example is that of a training program that GEO developed to assist fresh produce exporters to improve the quality of their product. A GEO post harvest handling expert developed the course and course materials that cover areas such as maintenance of the cold chain, proper transportation, washing and packaging, as well as heat treatment, hot bath washes, and waxing. To date over 100 exporters and producers have benefited from the training. After a training of trainers course for NGMC, NARI and the Ministry of Agriculture, NGMC has taken up the reins and has already presented one training program on their own to over 30 farmers in Berbice.

D. IR2 Performance Results

Each private sector organization (PSO) has its own definition of what it considers a “member” in good-standing. We report below those numbers under “Total Membership”. We also report the numbers of those who have and have not paid their dues.

Private-Sector Organization	Total Membership	Financial Membership	Non-financial Membership
Linden	50	38	12
Essequibo	34	34	0
Berbice	60	47	13
Upper Corentyne	72	38	34
THAG	75	65	10
GMA	88	64	24
FPA	62	20	42
Rupununi	83	25	58
Bartica*			
West Berbice	45	26	19
West Demerara*			
Mahaica*			
Total	569	357	212

* Figures have yet to be reported for the regional chambers in Bartica, West Demerara and Mahaica. We understand that the chambers in Bartica and Mahaica were not very active during 2003.

Private Sector Influences Public Policies

{PRIVATE }STRATEGIC OBJECTIVE 1: Improved Climate for Private Investment			
APPROVED: 9/4/01		Country/Organization: Guyana	
RESULT NAME: IR2: Strengthened Capacity of the Private Sector to Influence Public Policy			
INDICATOR: Membership in Local Chambers of Commerce and private sector associations.			
{PRIVATE }UNIT OF MEASURE: Numbers of firms who are members of Local Chambers of Commerce and business associations.	YEAR	PLANNED	ACTUAL
	1999 (B)	—	Linden 25 Essequibo 55 Berbice 32 Upper Corentyne 60 THAG 54 GMA 125 FPA 62 TOTAL 413
	2000	425	Linden 26 Essequibo 37 Berbice 39 Upper Corentyne 75 THAG 65 GMA 90 FPA 62 Lethem 36 Bartica 18 TOTAL 448
INDICATOR DESCRIPTION: This covers local chambers and business associations which are assisted by GEO. This does not cover the Private Sector Commission because the overall membership numbers will not provide an accurate picture of institutional strength (there is a small and finite number of potential members; for example, corporate membership is expected to increase by 100% in 2000), therefore its inclusion would distort the numbers. (THAG- Tourism and Hotel Association of Guyana, GMA- Guyana Manufacturing Association, FPA- Forest Products Association)	2001	440	Linden 36 Essequibo 45 Berbice 44 Upper Corentyne 78 THAG 65 GMA 89 FPA 61 Lethem 55 Bartica 18 West Berbice 16 West Demerara 60 Mahaica 14 TOTAL 581
	2002	462	586
	2003*	485	569
{PRIVATE }COMMENTS: This can function as a proxy indicator because GEO will assist in strengthening PSOs. The key concept is that if PSOs can demonstrate tangible benefits, membership will likely expand. For example, this could be improved analysis that leads to a greater influence on policy issues. Another example is the provision of services, such as internet access, access to information, advertising, etc. In turn, increased membership is likely to increase revenues, which will lead to greater sustainability over time. GEO will monitor the linkages between increasing capacity and increasing membership to analyze whether there are other factors influencing membership.			

The figures reported in the table above are based on incomplete information, since figures have not been reported yet for three chambers. It is evident none-the-less that the original target for 2003 has been surpassed.

{PRIVATE }STRATEGIC OBJECTIVE 1: Improved Climate for Private Investment APPROVED: 7/22/98 Country/Organization: Guyana			
RESULT NAME: IR2: Strengthened Capacity of the Private Sector to Influence Public Policy			
INDICATOR: Number of advocacy campaigns undertaken by private sector organizations.			
{PRIVATE }UNIT OF MEASURE: Number of campaigns.	YEAR	PLANNED	ACTUAL
	1999 (B)		0
SOURCE: Private sector organizations, such as the private sector commission, local chambers of commerce, and business associations which receive assistance from USAID.	2000	7	15
	2001	10	14
INDICATOR DESCRIPTION: A campaign entails an organized and coordinated effort to influence public policy around one or more defined issues of importance to the private sector. A campaign incorporates more than one approach to influence policy, such as letter writing, lobbying, and/or providing interviews to the media on an issue(s).	2002	15	19
	2003	15	20
{PRIVATE }COMMENTS: PSOs are continually involved in trying to influence public policy. Currently most of these efforts are limited to a single activity. In most instances these consist of a meeting with a Minister, the President or other high Government officials. We do not consider these activities as advocacy <i>campaigns</i> as defined above. Therefore, the baseline is no campaigns.			

Below are the new advocacy campaigns that PSOs launched during 2003:

- Essequibo chamber - business relations with Brazil, Surinam and French Guyana
- Berbice and Upper Corentyne chambers – Government decentralization: Branch office of the General Registry office
- Linden and Berbice chambers – better electricity and water services
- Linden Chamber – future of Linmine
- West Berbice chamber – improved veterinary services
- FPA – Export tax on logs to Surinam
- FPA – Reduction/removal of toll on the Iteballi-Puruni road

- THAG – development and enforcement of hotel standards
- GMA – cost and quality of electricity supply

Work continued during the year on the following on-going advocacy issues:

- Essequibo Chamber – sanitation
- Rupununi chamber and ARCC – the road to Brazil
- ARCC, Berbice, THAG – crime situation
- Berbice – construction of the Berbice bridge
- Berbice – quality/cost of electricity
- Berbice and Linden chambers – poor water service
- Berbice and Linden – seeking better fire services
- ARCC – Passage of the Investment Law
- ARCC – Passage of the Small Business Act
- FPA – against the ban on export of logs

Having an Impact

The GEO Project worked very intensively with 10 – 12 PSOs during the first half of the Project. During that time we had a small business/advocacy specialist who worked full time with the organizations. At Project started up, we offered GEO assistance to all business based PSOs. The GEO advisor completed his tour almost two years ago and GEO assistance in the area of advocacy has decreased accordingly. However, the PSOs with which we worked are continuing the work on their own, and very successfully.

Advocating for policy change does not always, and in fact rarely results in immediate or total success. Success is usually achieved in stages and the organization may or may not get all that it wants. The impacts that the PSOs are now achieving are in some instances for advocacy campaigns that were started two or even three years or more ago. Below are the areas where private-sector organizations had an impact last year from their advocacy efforts:

National issues:

- *Construction of the Berbice Bridge* – This has been an issue on which both the Berbice and Upper Correntyne chambers have worked for many years. A member of the Berbice Chamber, and former Chairman of ARCC, now serves as Chairman of the joint public and private sector Bridge Committee. Although far from a total success, the Berbice Chamber believes that they are finally making headway, by working with, as well as continuing to push the Government. The Government has indicated that it is moving toward a decision on the bridge (location, type, etc.) and it is actively seeking financing.
- *Crime* – All the PSOs with which the Project worked were involved in lobbying the Government to take a stronger stance during the recent crime wave. The Berbice Chamber believes they have had some success at the local level in getting the Police to work with the local business community. At the national level, ARCC was instrumental in working with other PSOs to organize a nationwide one day (and almost 2 day) shut

down of the business community to signal its strong displeasure with the way the crime situation was being handled. Most observers agree that this shutdown was an important event and helped convince the Government that more action was needed.

- *Passage of Veterinary Health Legislation* – This is also an issue in which the GEO Project has been involved. West Berbice mounted a campaign of letters, press releases and meetings with Government officials to push the legislation forward. The legislation has since been enacted into law, opening the way for the export of beef to CARICOM countries.
- *Enactment of the Investment Law* – All of the PSOs participated in the process to move the draft investment law forward. Many have been involved from the beginning in 1999. Most of the PSOs were also involved in the private sector review and modification of the draft and participated in a day long meeting with the President to review and come to agreement on issues that were in dispute. The revised law has been tabled in Parliament and is currently in committee. Final passage is expected in early 2004.
- *Small Business Act* – ARCC and the regional chambers were the primary advocates for passage of the Small Business Act. Last year each of the chambers again hosted a public/private sector forum to debate the draft. They also participated at the national forum held with the President and his Cabinet to discuss the Small Business Act and the Investment Law. As with the investment legislation, the Small Business Act has been tabled in Parliament and sent to committee. Passage is also expected in January.

Local Issues:

- *Water Services: Berbice and Linden* – Both the Berbice and Linden chambers mounted advocacy campaigns to improve water services in their respective communities. Meetings with the water authority and the town council were the main methods used to make their concerns known. Both chambers report that service has improved.
- *Electric Service: Berbice, Upper Correntyne and Linden* – All three chambers also reported improved electric service after intense campaigns which included, for Berbice, meetings with GPL.
- *Improved Fire Service in Berbice* – New Amsterdam was the site of a large fire that destroyed almost a block of businesses. Their campaign to improve service included press releases, meetings with regional and national government officials and with the Fire Service in New Amsterdam. The Chamber reports that they feel there has been a positive response to their efforts.
- *Government Decentralization* – For several years many of the regional chambers have been advocating for a decentralization of some services, so that some government activities could be done locally instead of in Georgetown. Last year, the Upper Correntyne and Berbice chambers reported success, as a local General Registry Office has been opened in New Amsterdam.

- *Improved Sanitation* – The Essequibo Chamber has been lobbying for many years to improve the sanitation and solid waste pick-up in Anna Regina. The Chamber was successful in obtaining a grant from the Carter Center to mount a large information campaign. The Chamber reports that the four month campaign achieved 95% of its goals through the production of flyers, TV programs and advertising, town meetings, etc. Garbage collection has been intensified as a result.

{PRIVATE }STRATEGIC OBJECTIVE 1: Improved Climate for Private Investment APPROVED: 9/4/01 Country/Organization: Guyana			
RESULT NAME: IR2: Strengthened Capacity of the Private Sector to Influence Public Policy			
INDICATOR: Private Sector Influences public policies			
{PRIVATE }UNIT OF MEASURE: Number of public policies.	YEAR	PLANNED	ACTUAL
SOURCE: Private Sector Organizations (PSOs) including the Private Sector Commission (PSC), Local Chambers of Commerce, and Business Associations.	1999	–	0
	2000	Local 4	7
		Nat'l 2	3
2001	Local 5	5	
	Nat'l 2	3	
INDICATOR DESCRIPTION: This indicator captures the number of policies, both at the local and national level which reflect a PSO position or point of view as a result of lobbying efforts or campaigns on the part of one or more PSOs. (Nat'l = national)	2002	Local 5 Nat'l 2	9 4
	2003	Local 5 Nat'l 2	6 5
{PRIVATE }COMMENTS: While this indicator is not a direct measure of the SO per se, it is used because if the private sector has more influence on public policy, they will have a better business climate to provide more economic opportunities for the poor. The other reason for this indicator is that it tracks whether capacity building of the private sector is having an <i>impact</i> on public policy (which is a culmination of underlying activities). At the national level, policies where PSOs will likely have an impact are; banking policy, WTO related policies, the investment code, and policy related to the function and organization of Go-Invest. At the local level, examples of policy issues which affect PSOs include the establishment of industrial zones, local crime, participation in infrastructure rehabilitation decisions, membership on government boards, etc..			

Non-Financial Services for SMEs

In the 2002 semi-annual report we proposed targets for measuring the provision of non-financial services to small and micro-enterprises. Below we report the success in meeting those targets. The services are in the form of training in product quality, basics of exporting, labeling, packaging, etc. Market information is also now available for eleven different markets of interest to Guyanese exporters. Most of the “actual” number of persons receiving these services are counts of persons who attended training sessions, workshops, and seminars sponsored by the GEO Project and our partners. The number of persons receiving market information, however, is only an estimate. We know for example that GEO, NGMC and Go-Invest have distributed or sold 561 market reports and that another 47 persons attended seminars in regional locations where the results of the surveys were presented. However, we cannot say that the 561 copies distributed represent 561 persons, since obviously some people have requested and received more than one report.

In addition, others have received reports via email, which are not included in the total. We do know that 200 copies of the Brazil report have been distributed and that the 35 attending the seminar in Berbice probably did not receive the Brazil report. Therefore we estimate at a minimum that 235 persons received export market information during the year.

As noted in the activity report in Part 1 of this report, there were many other types of training that, although not used as an indicator, contribute to the ability of large, medium and small firms to access markets, improve their business skills, and grow their businesses. We report some of these others types of training below.

Activity	No. of Participants:
Trade Policy Strategy Seminar	126
High Point Woods Products tour	12
ISO Standards training	75
Forestry Certification	45
Trade policy analysis	14
Internet as a business tool	25
Trinidad wood products tradeshow	8
Business writing	25
Tourism training	41
APHIS training	42

{PRIVATE }STRATEGIC OBJECTIVE 1: Improved Climate for Private Investment			
APPROVED: 7/22/98		Country/Organization: Guyana	
RESULT NAME: IR3: Increased Financial and Non-Financial Services Available to Support Small and Micro-enterprises			
INDICATOR: Number of clients assisted.			
{PRIVATE }UNIT OF MEASURE: Number of individuals.	Type of Service/Training	2003 TARGET	2003 ACTUAL
SOURCE: NGMC, Go-Invest, GEO reports.	Technical bulletins developed	25	37
	<i>Persons trained in:</i>		
INDICATOR DESCRIPTION: This incorporates the number of clients provided with services, training or technical assistance.	Packing/packaging for export	15	153
	Hot water mango treatment	20	45
	Loading/transportation	25	153
	‘Sleeving’ of plantain/bananas	100	153
	Cool chain	20	123
	Wax treatment, longer shelf life	50	153
	Solar drying techniques	150	0
	Curing of root crops	150	153
	Developing business plans	100	71
	Developing export plans	100	71
	Basics of exporting	100	91
	Pricing strategies	100	91
	Proper labeling	25	77
	Persons receiving market info.	200	235
	Quality control assistance	25	168
{PRIVATE }COMMENTS:			

Having an Impact

Providing training per se does not guarantee success in having an impact on the participant's ability to run his or her business. The GEO Project with its partners (NMGC and Go-Invest) in the SME export program are already having an impact with local exporters. Below are listed some of these impacts measured at the sector, the firm and at the level of the individual:

New and Expanding Markets

- *Produce Exports to Barbados have increased 79% in the past two year.* The fresh produce sector has been a key target of GEO assistance over the past several years. The GEO training series in basic exporting, Export 101/102, has been a key factor in making current exporters and potential exporters aware of the growth potential if firms are prepared and stick to a few key exporting and client principles, quality and timeliness of delivery being the two most important. Three years ago there were only a two full time exporters to Barbados, with a third who exported occasionally. Now there are 10 exporters, most of whom export to Barbados on a regular basis. Exports to Barbados increased 40% in 2001 and by another 39% last year.
- *Guyana Set to Resume Beef Exports* - For almost thirty years, Guyana has been unable to export beef due to the presence of hoof and mouth disease. Two years ago the country was finally declared free of the disease. Several cattle producers and beef processors had expressed interest in exporting beef. The Project provided the assistance of meat processor to provide training to butchers in preparing cuts to international standards. Assistance was also provided to a local processor to enable him to meet international standards for his slaughter house and processing plant. The same processor has just sent a test shipment of 6000 lbs. of beef to two distributors who are interested in importing Guyanese beef to Grenada. A Jamaican importer is due to arrive in January to inspect Guyanese facilities.
- *Trade Show Participants Target New Markets* - The GEO Project sponsored wood products trade shows last year to High Point, North Carolina and to Trinidad. As reported earlier in this report, two participants have solidified distributorship relationships for wood products in the U.S. and Trinidad. One furniture manufacturer has sold almost a container of furniture as a result of the show in Trinidad, and three others are working on orders for their products.

Impacts at the Level of the Firm and the Individual

- *Honey Exports to Barbados* - Rajkumar & Son is a local honey producer. Both father and son have attended GEO sponsored market seminars and a labeling workshop. The Project has also assisted to identify new input suppliers, identify potential importers in the Caribbean and improve honey quality. A Barbados importer has ordered a first shipment of forty cases of Rajkumar's honey.

- *Exporter Adopts New Techniques and Expands Exports* - Bislam Singh is an exporter who until this year sold small amounts of fresh produce to Barbados by air. Mr. Singh was one of the first participants in the Export training course. He has adopted many of the post harvest handling techniques taught in GEO sponsored workshops. This year Mr. Singh became the first exporter to send produce to Barbados by refrigerated container by sea. As a result of seeing the lower costs and greater volume possible, two other exporters are planning to follow suit.
- *APHIS Visit Resulted in a New Export to Florida* – Deodat Doodnauth is an exporter of fresh produce, who until recently focused on the Canadian market where phytosanitary requirements are less strict. In 2002, with GEO assistance, APHIS plant inspectors visited Guyana and as a result of the visit opened the door for the export of four Guyanese crops to all ports in the U.S. One of these crops is peppers, which previously had only been allowed entry through northern ports. Mr. Doodnauth has taken advantage of this opportunity and is now producing and exporting hot peppers to Florida.
- *Wilderness Explorers Makes New Contacts in Europe* – Tony Thorne is the owner of Wilderness Explorers, a local tourism operation that packages various eco- and adventure tourism trips. Tony has attended the World Travel Market in London for the past five years. Each year he has been unable to arrange meetings with two British operators, who he felt would be interested in selling tours to Guyana. Lack of information about Guyana as a tourist destination and Guyana’s low profile at the show, Tony believes, made it very difficult to attract the attention of the larger British tourism firms. This attitude changed this year, as a result of GEO’s assistance to GTA, THAG and the Guyana delegation to WTM in planning, organizing and helping to implement Guyana’s participation at WTM this year. Guyana’s sponsorship of a “Guyana Lime”, with GEO assistance, was apparently a big hit and has helped to at least put Guyana tourism on the radar screen for some European tour operators. Tony reports that as a result of the “Lime”, the two important British firms sought him out, instead of the other way around, to set up meetings to discuss adding Guyana to the packages they offer.
- *Carl Bryan Uses E-mail* – There are also numerous impacts which may seem small, but to the entrepreneur they may represent large steps. Carl Bryan is a small garment manufacturer in the town of Linden. Carl recently completed the Export training series and also took part in the Project sponsored internet training program. Carl admitted that he had little previous experience with computers and had only heard about but never used the internet. Two weeks ago, the GEO Export Specialist resident in the U.S., received an email from Carl, requesting assistance in finding new export markets. For Carl this was a very big step.

IV. Quarterly Financial Report
(October 1 – December 31, 2003)

Chemonics International Inc. Guyana Economic Opportunities Contract No. 504-C-00-99-00009-00 Quarterly Financial Report Period: October - December 2003									Current Obligation \$6,267,277
	Total Budget	Total Expended 9/30/2003	Oct-03	Nov-03	Dec-03	Total Expended this Quarter	Total Expended to Date	Balance	
I. Salaries	\$767,454	\$619,018	\$17,377	\$17,418	\$20,678	\$55,472	\$674,490	\$92,964	
II. Fringe Benefits	\$431,910	\$358,848	\$10,077	\$7,705	\$10,284	\$28,065	\$386,913	\$44,997	
III. Indirect Costs (Overhead)	\$1,164,175	\$990,619	\$38,690	\$19,148	\$27,769	\$85,607	\$1,076,226	\$87,949	
IV. Consultants	\$848,735	\$754,825	\$40,861	\$10,436	\$25,534	\$76,832	\$831,657	\$17,078	
V. Procurement (EVF)	\$113,547	\$92,766	\$14,161	\$222	\$163	\$14,547	\$107,312	\$6,235	
VI. Travel, Transportation, and Per Diem	\$608,904	\$491,654	\$12,481	\$12,861	\$6,639	\$31,982	\$523,636	\$85,268	
VII. Allowances	\$243,265	\$183,784	\$7,519	\$7,452	\$9,073	\$24,044	\$207,828	\$35,437	
VIII. Other Direct Costs	\$331,597	\$295,830	\$7,755	\$9,494	\$14,100	\$31,349	\$327,179	\$4,418	
IX. Training	\$275,915	\$237,453	\$12,089	\$8,542	\$9,321	\$29,952	\$267,405	\$8,510	
X. Subcontractors	\$829,530	\$803,483	\$18,455	\$11,391	\$0	\$29,846	\$833,329	(\$3,799)	
Subtotal, Items I - X	\$5,615,032	\$4,828,278	\$179,466	\$104,668	\$123,562	\$407,696	\$5,235,974	\$379,058	
XI. General & Administrative	\$269,734	\$229,846	\$9,099	\$5,307	\$6,265	\$20,670	\$250,516	\$19,218	
Subtotal, Item I - X	\$5,884,766	\$5,058,124	\$188,564	\$109,975	\$129,827	\$428,366	\$5,486,490	\$398,276	
XII. Fixed Fee	\$382,509	\$328,778	\$12,257	\$7,148	\$8,439	\$27,844	\$356,622	\$25,887	
Grand total, Items I - XII	\$6,267,275	\$5,386,902	\$200,821	\$117,123	\$138,266	\$456,210	\$5,843,112	\$424,163	

V. 2003 Annual Financial Report

Chemonics International Inc. Guyana Economic Opportunities Contract No. 504-C-00-99-00009-00 Annual Financial Report Period: January 2003 - December 2003					
				Current Obligation \$6,267,277	
	Total Budget	Total Expended as of 12/31/02	Total Expended during 2003	Total Expended as of 12/31/2003	Balance
I. Salaries	\$767,454	\$477,266	\$197,224	\$674,490	\$92,964
II. Fringe Benefits	\$431,910	\$287,473	\$99,440	\$386,913	\$44,997
III. Indirect Costs (Overhead)	\$1,164,175	\$786,965	\$289,261	\$1,076,226	\$87,949
IV. Consultants	\$848,735	\$559,210	\$272,447	\$831,657	\$17,078
V. Procurement (EVF)	\$113,547	\$31,761	\$75,552	\$107,312	\$6,235
VI. Travel, Transportation, and Per Diem	\$608,904	\$419,206	\$104,430	\$523,636	\$85,268
VII. Allowances	\$243,265	\$130,688	\$77,140	\$207,828	\$35,437
VIII. Other Direct Costs	\$331,597	\$220,689	\$106,489	\$327,179	\$4,418
IX. Training	\$275,915	\$118,351	\$149,054	\$267,405	\$8,510
X. Subcontractors	\$829,530	\$728,093	\$105,235	\$833,329	(\$3,799)
Subtotal, Items I - X	\$5,615,032	\$3,759,702	\$1,476,272	\$5,235,974	\$379,058
XI. General & Administrative	\$269,734	\$171,909	\$78,607	\$250,516	\$19,218
Subtotal, Item I - X	\$5,884,766	\$3,931,611	\$1,554,879	\$5,486,490	\$398,276
XII. Fixed Fee	\$382,509	\$255,555	\$101,067	\$356,622	\$25,887
Grand total, Items I - XI	\$6,267,275	\$4,187,166	\$1,655,946	\$5,843,112	\$424,163

